SECRET

Approved For Release 2000/08/29: CIA-RDR79700890A001300020002-9

NSC BRIEFING

16 November 1960

SOUTHEAST ASIA

NO CHANGE IN CLASS. IT IS INCLASS. IT INCLASS. IT IS INCLASS. IT I

I. South Vietnam:

- A. President Diem's political problems have increased as a result of the abortive coup attempt of 10-11 November.
 - Diem is now under pressure to reorganize and broaden his government; while some reforms are likely, there is no certainty that they will be far-reaching enough.
 - Diem has threatened severe punishment of the coup leaders, and some of his advisers are said to be urging a crack-down on his most vocal political opponents.
 - a. Reprisals against civilians could lead to some mob actions by their followers, exploited in turn by Communist agents.
- B. The unsettled situation may also offer opportunities to the Communist regime in North Vietnam, which is seeking to undermine the Diem regime by stepped up guerrilla and political activity.

II. Laos:

- A. The situation in Laos seems to be approaching the point where an attempt to replace Souvanna Phouma's neutralist regime with a new government may occur.
 - 1. The possibility of such a move was increased by the 10

 November takeover of Luang Prabang by a young battalion

 commander which has apparently swung the First Military

 Region over to General Phoumi's Savannakhet Revolu-

tionary Committee.
Approved For Release 2000/08/29: CIA-RDP79R00890A001300020002-9

CEODET

- - 2. Discussions have taken place in Luang Prabang with King Savang on how to bring about the fall of Souvanna's government.
 - a. Former Premier Phoui has written the senior American liaison officer to Phoumi that conditions are ripe for formation of a new government. He claims his nephew, Kouprasith, has the military situation well in hand in Vientiane.
 - b. Phoui apparently does not envisage actual military action against Vientiane but hopes that by political maneuvers, Souvanna can either be induced to agree to an expanded government, including the Phoumi group, or be ousted by the National Assembly.
 - c. The Phoumi group, on the other hand, apparently hopes for a more definitive solution involving formation of a rightist government outside of Vientiane, followed by efforts to reduce Vientiane which might coincide with an internal takeover by Kouprasith.
 - B. Either a political or a military approach to a resolution of the crisis is full of uncertainties.
 - 1. Souvanna, even though he has lost Luang Prabang, gives every evidence of intending to hang on.
 - a. He has announced that he will refuse to recognize any acts henceforth taken by the King on the ground

that the King is a prisoner of the Phoumi forces Approved For Release 2000/08/29:-GIA-RDP79R00890A001300620602-9

Approved For Release 2000/08/29: CTA-RDP79R00890A001300020002-9

- b. He has said he intends to retake Luang Prabang by military action.
- 2. Although Kouprasith has been quietly marshalling antiPathet Lao and anti-Kong Le forces in Vientiane, it is by
 no means certain that he can secure control of the capital against probable counter-action by the Pathets,
 possibly aided by those elements of the Second Paratroop
 Battalion still responsive to Kong Le.
- C. The replacement of Souvanna with a coalition of non-Communist elements would be likely to spark a strong Pathet Lao reaction, possibly taking the form of countrywide guerrilla attacks similar to those they mounted a year ago last summer.

III. Thailand:

- A. Reports from Bangkok suggest that the Thai government may also be faced with the threat of a coup.
- B. Several of our sources in Bangkok believe that discontented army officers are planning a move against Prime Minister Sarit.
 - 1. They speculate that Sarit's adoption of a more conciliatory attitude toward the USSR may provide an issue around which various groups of discontented, pro-Western officers could rally.
 - a. Sarit's 2 November statement to effect Thailand prepared to have closer commercial and economic aid ties with Soviet Union apparently triggered by false belief US, UK and France had agreed, behind Thailand's back, to throw full support behind Souvanna.

Approved For Release 2000/08 23 COLA-RDP79R00890A001300020002-9

2. One report states action against Sarit may occur within three weeks to forestall a move to the left which these officers fear would follow Sarit's move to improve Thai-Soviet relations.